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OFFICE OF THE SECRETARY
FEDERAL MARITIME COMM

KN KUEHNE & NAGEL

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Honorable Bryant L. Van Brakle
Secretary
Federal Maritime Commission
800 North Capitol Street, N. W.
Washington, D.C. 20573-0001

JB/mp September 3, 2003

RE: Petition of National Customs Brokers and Forwarders Association of America, Inc. for a Limited Exemption From Certain Tariff Requirements of the Shipping Act of 1984

Petition NO. P5 - 03

Dear Secretary Van Brakle:

I am Juerg Bandle, Senior Vice President of Kuehne & Nagel, Inc., which is the agent of the world's largest NVOCC

Blue Anchor Line
Division of Transpac Container System Ltd.
25/F, MassMutual Tower
38 Gloucester Road
Wanchai, Hong Kong

Bond #8395689

In 2002 Blue Anchor Line shipped in excess of 1 million TEU globally and approximately 250,000 TEU in U.S. tradelanes.

We are writing to you in support of the petition of the NCBFAA for a limited exemption from tariff requirements for NVOCCs because we strongly feel that these tariffs do not serve (and are not used by) our shippers/customers.

Our business activities as freight forwarder, carrier (NVOCC), order and shipment manager and logistics provider have been integrated to the extent that our customers want to know the costs of the total transportation and service package to be provided based on the customers' specific requirements. In other words, our business activities are customer, not tariff driven!

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KUEHNE & NAGEL

While it is technically feasible to break out the NVOCC ocean freight from a total price/service package, this poses the question as to who is interested in knowing the isolated ocean freight rates.

One of the advantages of using the services of a NVOCC is that shippers can choose among a multitude of underlying carrier services and rates because most NVOCCs have several ocean carriers under contract. This enables NVOCCs to offer shippers with identical commodities tailor-made services, transit-times and rate options. However, how can rate filings for identical commodities from the same loading and discharge ports be distinguished unless the commodity descriptions are manipulated, e.g. footwear, size 5 vs size 7? Also, independently priced surcharges for the same commodity, load and discharge ports, but for different shippers with different service and volume levels cannot be reflected in NVOCC tariff.

Hence, by strictly adhering to the filing requirements, shippers cannot enjoy the service and pricing flexibilities available by using a transportation intermediary.

To the best of our knowledge, our customers do not monitor or review the rates filed in our tariff, but rely on quotations obtained prior to having cargo shipped with us. An increasing number of shippers select their service providers by inviting a number of forwarders/NVOCCs to respond to very detailed RFQs (Request for Quotation) or even web-based auctions.

The large number of competitors in the international shipping business ensures that shippers have the opportunity to negotiate and obtain the rates and services needed without consulting tariffs which may not contain rates and/or services related to the customers' requirements.

In fact, we are not aware of one single transaction awarded to us because of rate(s) available through the tariff system, nor have we ever been asked for a tariff rate.

In light of the above, our expenses for tariff maintenance in excess of $100,000 p.a. are hardly justifiable.

We thank you for considering the NCBFAA's petition and hope that you will rule in favor of it.

Sincerely yours,
KUEHNE & NAGEL, INC.
as agent of Blue Anchor Line

Juerg Bandle
Senior Vice President